

HOUSE BILL 360

By McDonald

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, relative to sales and use tax on food  
and food ingredients for human consumption.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-228, is amended by deleting subsection (a) in its entirety and by substituting instead the following:

(a) Except as otherwise provided in subsection (b), there is exempt from the state tax imposed by this chapter the retail sale of food and food ingredients for human consumption; provided that nothing in this subsection(a) shall be construed to exempt such retail sales from any tax levied in accordance with part 7 of this chapter.

SECTION 2. Tennessee Code Annotated, Section 67-6-103(c), is amended by deleting subdivision (2) in its entirety and by substituting instead the following:

(2) Notwithstanding any law to the contrary, all revenue generated from the one-half percent (0.5%) increase in the sales and use tax rate that became effective April 1, 1992, shall be deposited in the state general fund and earmarked for education purposes in kindergarten through grade twelve (K-12).

SECTION 3. This act shall take effect January 1, 2012, the public welfare requiring it.